



Voluntary Separation Incentive Program (VSIP)

Current Status of Program
&
Description of Process Used to
Determine VSIP Offers

20 Dec 00



VSIP Survey Guidance

- **VSIPs will be offered to avoid RIF**
- **Employee agrees to separate on a date determined by management (1 Jan - 30 Sep 01); management will consider employee wishes**
- **Separation dates will be determined based on mission and budget requirements**
- **Employees choosing to retire/resign without incentive can do so through normal procedures**



VSIP Survey Guidance (continued)

- **Employees approved for an incentive will be notified at least 30 days prior to separation**
- **Employees approved for separation in Jan will be notified NLT 15 Dec 00**
- **NOTE: Amount of VSIP:**
 - \$25,000, OR
 - Amount of employee's severance pay calculation
 - Whichever is LESS
 - (Severance pay calculation is a function of salary, years of service, and age.)



Survey Results

- Over 100 employees at 8 locations applied for opportunity to be selected
- At most locations, more employees have expressed interest than are needed to avoid involuntary separations
- Very few expressed interest in separating before the 2nd quarter FY01



Business Reasons Used to Determine VSIP

Workload Restructuring – excesses are identified by Occupational Series/Grade by the Department Head

- VSIP Guidance pertaining to offering incentives to avoid involuntary separations
- Historical Attrition
- CNET direction to execute as many separations as possible during first half of FY 01 (less attrition)
- VSIP offers involving VERA cannot be approved until CNET has been given VERA by Navy
- CNET must notify NETPDTC that funds are available to pay for the SIPs requested



Process of Selection for VSIPs

- Within the series and grades of positions identified as excess, a listing of VSIP applicants was developed, per Navy policy, in order of Leave Service Computation Date (LSCD)
- VSIP will be **offered** based on seniority (LSCD) order of applicants within each of these series/grades
- VSIP will not be **approved** until funding is provided by CNET
- Those in jobs outside of N6 and N72 may be offered VSIP, i.e., if their LSCDs are earlier than those of incumbents of excess positions



Process of Selection for VSIPs (continued)

- In such cases, these non-N6/non-N72 vacancies will be filled with individuals in specific series and grades from departments in which positions were excess (N6 and N72)
- These individuals will be identified using the most recent LSCD (most junior) and reassigned to the VSIP-created vacancy



N6 VSIP Requirements

- **An example of how offers will actually work:**
 - 41 (Total excesses based on current on-boards with no attrition needed to be separated NLT 30 Sep 01)**
 - 17 (Based on historical attrition, offers will be held in “Reserve” pending actual attrition between now and 30 Sep 01)**
 - 24 offers will be made now with separation dates between now and 3 Apr 01**
- **If an employee declines to separate by 3 Apr 01 when contacted, an offer will be made to next most senior person within the series/grade.**
- **A declination does not preclude a future offer, but attrition may negate the need for future offers.**
- **Offers will continue until we get to the number (by series/grade) we need to separate NLT 3 Apr 01**
- **Employees will be notified when SIP is actually approved and requested to sign to a SF52**



N72 VSIP Requirements

- **CNET has directed that we offer incentives to employees who desire to separate and are in areas where their release would not decrement workload before CA decision to help execute the FY01 budget mark**
- **If an employee declines to separate NLT 3 Apr 01 when contacted, an offer will be made to next most senior person within the series/grade.**
- **If an employee declines, any future VSIP offer he/she receives will be based on the CA decision and resulting RIF action**
- **The CA timeline will drive release dates at that time**



Conditions for VSIP Acceptance

- Because of costs associated with separation (the lesser of severance pay or \$25K, leave liquidation, and medical costs), CNET can only guarantee VSIPs for volunteers who separate during the first half of FY01
- If you are contacted, you will be told the offer is tentative pending CNET approval; you may also be asked to reconsider the effective date of separation, based on the above



Conditions for VSIP Acceptance (continued)

- If you agree to separate between 1 Jan – 3 Apr 01, you will be asked to sign an SF-52, so indicating
- A list of tentative VSIP takers with associated separation costs will be forwarded to CNET for approval
- Following approval by CNET, NETPDTC management will sign the separation SF-52, which results in a contract between the VSIP-taker and NETPDTC regarding separation